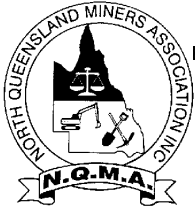


NORTH QUEENSLAND MINERS' ASSOCIATION INC.



ABN 76 525 585 093

Committee Secretary
Infrastructure, Planning and Natural Resources Committee
Parliament House
George Street
Brisbane Qld 4000

Via email: ipnrc@parliament.qld.gov.au

15 September 2017

Dear Committee Secretary

Re: Mineral, Water and Other Legislation Amendment Bill 2017

The following is the submission on behalf of the North Queensland Miners Association (NQMA) in regards to the above Bill.

The main concern with the proposed changes, as expressed in the meeting held with Department of Natural Resources and Mines on Monday 10th July 2017, is the significant increase in costs and responsibility to pay any “reasonable” legal costs incurred by the landowner.

From our understanding changes to the legislation will imply that:

- *“The Resource Authority holder will be responsible for the cost of the ADR practitioner (Alternative Dispute Resolution).*
- *Both parties have to agree to attend arbitration and the costs will be shared unless the parties did not attend ADR. In this case the resource authority holder will be responsible for the cost of the arbitration.*
- *The resource authority holder will be responsible for the professional fees necessarily and reasonably incurred in the negotiation of a CCA including where a resource authority abandons the negotiation.*
- *The professional costs for negotiating a CCA will be extended to include the costs of the agronomist.”*

NQMA has previously expressed our concerns with adding additional burdens to the Mining Industry, with this introduction of Explorers having to pay landowners costs.

At previous meetings DNRM stated that only a very small number of cases for Minerals go through the Land Court/Arbitration process and therefore the proposed changes will minimally effect Mineral Miners. NQMA begs to differ.

It is our understanding that one of the reasons that this is the current case is that both parties bear their own costs. Giving the Land holders the right to claim all reasonable costs will force a number of cases to go through this process as there are no repercussions to the land holder. Junior Explorers will NOT be able to sustain this process and less and less exploration will be happening in QLD.

We believe that the current Government has lost its understanding, due to pressures of the GREEN vote and negative media attention to Mining, in regards to the meaning of **THE MINERALS ARE OWNED BY THE STATE.**

Land holders and in particular Lease holders, are given a lease to graze cattle or undertake farming activities. Miners are given a lease to mine the minerals in the ground. Therefore both co-exist and both have a right to be on the land to undertake the required activities. Compensation is payable for any impact to the land (ie interruption to cattle grazing or farming) that the Explorer may make in the exploring for Minerals. As both activities have a right to be on the ground, any costs incurred for the purpose of a CCA should and must be **shared**.

It is a major concern of NQMA that the changes to the Conduct and Compensation Agreement is *“based on the recommendations 4, 7, 8, 9 of the Gasfield Commission Review”*. We are seeking a response as to why must the Mineral Resource Sector be tarred with the same brush as the Gasfields and how DNRM interprets the Gasfield Review to be relevant to the Minerals Sector.

NQMA very **STRONGLY** objects to the continuation of bleeding Miners/Explorers dry with costs, fees, levies, native title and now obligations to pay land holders legal costs. This is not sustainable in the current climate and exploration of mid-tier companies will become extinct in the near future due to the unavailable funds to do on ground exploration after all ‘admin’ costs are covered.

We do not agree with non-stop changes to legislation that add additional costs to Miners/Explorers in Qld. The majority of Mining and Exploration companies are not BHP and cannot sustain these increase costs year after year. Exploration companies are the ones that make discoveries for Qld.

NO EXPLORATION = NO NEW DISCOVERIES = NO NEW MINES = NO NEW JOBS = NO NEW ROYALTY FOR QLD.

Yours Sincerely

Fiona Abbey
President